

COMMITTEE ON COMMUNITY IMPROVEMENT

May 16, 2005

5:30 PM

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Shea, Garrity, Smith, Lopez

Messrs.: S. Maranto, J. Hills, T. Arnold

Chairman O'Neil addressed Item 3 of the agenda:

Resolution and budget authorizations authorizing acceptance and expenditure of funds in the amount of \$350,000 (Other) for FY2005 CIP 811705 MCAM Public Access Grant Project.

On motion of Alderman Shea, duly seconded by Alderman Lopez it was voted to approve the resolution and budget authorizations as presented.

Chairman O'Neil addressed Item 4 of the agenda:

Communication from Robert MacKenzie, Planning Director, regarding reimbursement of NH DOT funds for the I-93 widening.

Alderman Shea moved the item. Alderman Garrity duly seconded the motion.

Deputy City Clerk Johnson asked would that be to receive and file.

Chairman O'Neil answered no. Isn't there a recommendation there? The money will be deposited in the one-time revenue account is the recommendation.

Alderman Lopez stated no.

Chairman O'Neil replied well that is what the letter I have says.

Alderman Lopez responded the letter I have is Item 4 on the agenda and it is a recommendation from the Planning Director. Maybe Sam could shed some light on this.

Sam Maranto stated essentially Alderman Lopez is correct. We properly identified where those funds should be going. Item 4 of the recommendations is really the only thing we have discretion on.

Chairman O'Neil asked so the staff recommendation is the memo from Mr. MacKenzie dated May 3, which does not agree with the Finance Department's recommendation.

Alderman Lopez stated what happened with Finance is that they were going to put it in the one time account until this Committee decided where it is going to go.

Chairman O'Neil asked do we need to get a new motion.

Deputy City Clerk Johnson answered if you want to move to the recommendation that was included with the agenda.

Alderman Shea withdrew his motion. Alderman Garrity withdrew his second.

Alderman Lopez moved to approve the recommendation of the Planning Director for the \$400,000 reimbursement from NH DOT. Alderman Shea duly seconded the motion. Chairman O'Neil called for a vote. There being none opposed, the motion carried.

Chairman O'Neil addressed Item 5 of the agenda:

Communication from Robert MacKenzie, Planning Director, regarding submission of a Consolidated Plan to the Department of Housing and Urban Development.

Alderman Lopez moved to approve the Consolidated Plan. Alderman Garrity duly seconded the motion for discussion.

Mr. Maranto stated essentially every five years staff puts together a five-year plan for the expenditure of federal funds. Rather than making everyone a copy, we put it on the website. If you want one sent to you, we can do that. It is basically a Master Plan for spending CDBG funds in the next five years.

Deputy City Clerk Johnson asked is the motion to receive and file.

Alderman Lopez answered no the motion is to authorize Planning to submit the Consolidated Plan to HUD.

Alderman Garrity asked what is on the website.

Mr. Maranto answered the draft plan is on there right now. Upon approval of the CIP budget, the plan would then take effect and we would submit it with anticipation that the plan would be approved.

Alderman Garrity asked so we are voting on the plan right now and we don't have it in front of us.

Alderman Lopez stated in the communication we received it stated that the plan is on the website and is also in the City Clerk's Office for anyone to view. It is just a plan that is submitted, which is a requirement of HUD that they do every five years in order to get the necessary HUD money.

Alderman Garrity asked and these are federal funds. I am going to oppose it because I don't have anything in front of me.

Alderman Smith duly seconded the motion. Chairman O'Neil called for a vote. The motion carried with Alderman Garrity being duly recorded in opposition.

Chairman O'Neil asked is there a possibility that you could get a copy to Alderman Garrity to review before tomorrow night's meeting. Is there anybody else who needs a copy? Alderman DeVries needs one also.

Alderman Garrity stated I don't have a problem supporting it, I would just like to see it.

Alderman Lopez stated it is a plan that is submitted. It doesn't mean that everything in there...the Board of Mayor and Aldermen still have an opportunity to change things and move things around. This is just to get the money from the federal government.

Chairman O'Neil addressed Item 6 of the agenda:

Communication from Robert MacKenzie, Planning Director, regarding submission of an application to the Department of Housing and Urban Development for lead hazard control grant funds.

On motion of Alderman Smith, duly seconded by Alderman Shea it was voted to receive and file the communication.

Chairman O'Neil addressed Item 7 of the agenda:

Communication from Jane Hills, Assistant Economic Development Director, requesting that the administering department for CIP #650300 (Hackett Hill Development) be changed from the Manchester Economic Development Office (MEDO) to the Manchester Housing & Redevelopment Authority (MHRA) and that the balance of funds in the project be transferred to MHRA.

Alderman Shea stated I don't know who my question should be directed to – maybe Jane. Where is the money right now that is going to be transferred?

Jane Hills, Assistant Economic Development Director answered it is in an account that Finance has.

Alderman Shea asked is it necessary that it be transferred now. Can it wait? Is there any time limit on the amount of time that is required to transfer...

Ms. Hills interjected the Manchester Housing Authority under the terms of the agreement that the Board already approved, the City is supposed to provide them with \$785,000 to begin work on engineering studies for the business park out at Hackett Hill and also to construct the new access road into the park and they need to have those funds in order to do that.

Alderman Shea asked does the Finance office agree that the money should be turned over now. Are they planning on using this money in the near future or are they just going to plan to do this within the...

Ms. Hills interjected I know that the RFP for engineering services if it hasn't gone out yet will very soon so they will be starting the engineering work over the summer so this would help pay for that. I am not sure I can answer all of your questions. Bob MacKenzie asked me to write this officially since according to the records my office has the account.

Alderman Shea stated my thoughts would run along the line that maybe we should wait a little while longer until the fiscal year is over and maybe release the funds in the first part of July. My thinking is that obviously this is drawing a little bit of interest I am assuming if I am not mistaken so we should try to get as much interest from this as we can before the year is out and then obviously we can

release it. I know that there is some discussion too about turning the entire fund over. We are not going to turn the fund over. In other words if we release the funding at some time, the fund itself would still be in the control of the Aldermen would it not. This is a question that I think I discussed with Alderman Lopez.

Chairman O'Neil asked Mr. Arnold is there any legal obligation for us to act on this.

Thomas Arnold, Deputy City Solicitor answered having read the development agreement recently I don't believe so.

Alderman Lopez stated we authorized a Master Plan to be done by the Manchester Housing Authority. The Board of Mayor and Aldermen obligated \$785,000 to the Manchester Housing Authority to implement the Master Plan. We have an obligation to give them that money. I agree with Alderman Shea. I don't like giving up the fund because the agreement that was made in 1999 has an economic fund and if we want to take money out of the economic fund to do economics in the City of Manchester it doesn't necessarily have to be for Hackett Hill. We don't know what that fund will eventually come to if progress is made at Hackett Hill but to answer the question there are too many primary things. We did authorize them to implement the Master Plan and we are obligated for that money and I don't see any reason why we wouldn't give them the money to implement it but I strongly don't want to give them the account. All of the money up there goes into the account and then this Committee would decide whether we want to release additional funds.

Alderman Garrity stated I respectfully disagree with my colleagues. Hackett Hill is the last track of land that we can develop for a commercial tax base. If this is part of the agreement, it is part of the agreement. We have to get the tax burden off of the residential homeowner and kind of balance it out with the commercial tax base. Hackett Hill is the last chance to do that. It is time we move this project forward and get the Master Plan done and the access road and the engineering study.

Chairman O'Neil stated my thought is I don't think this is an unusual request because I think we did something similar with the Air Park and I think we still had the right to use Air Park proceeds for economic development and I am pretty sure we did. I don't know if anybody remembers. We have used them for downtown – proceeds from the sale of the Air Park between Harvey Road and South Willow Street for other economic development activity. I apologize that I don't know the specifics of that agreement.

Alderman Lopez stated I agree with Alderman Garrity and I don't want to hold up the project but that is not the issue. The issue is the agreement that we made with the Manchester Housing Authority on February 26, 1999, which was one of the major questions I asked in approving the Master Plan where it says "furthermore all proceeds from the sale of preserved land and development property shall be deposited with the City into a trust fund solely for the purpose of economic development." I asked the question that if we had another economic development opportunity in the City can we take money out of there and the answer from both the Finance Officer and City Solicitor was yes we would have the authority to do so. By giving up the fund totally they would be making money and putting money into that fund and we would never know how much is in that fund. We only have an obligation for \$785,000. I agree with you wholeheartedly. Let's give them the money we have but keep the fund so that when economic development does happen or whatever money we get up there it goes into that fund. If they want to use it, they can come back to this Committee that way we have control of it.

Deputy City Clerk Johnson stated typically if you have a program like this and I wish Bob were here because I think he probably could address it for you but typically you would at some point change the administering agency to the agency that is expending the funds. This is the expenditure side, not the revenue side. Your Air Park proceeds...if you were to sell land those are proceeds and the proceeds come back to the City. This is the expenditure to set up your roadways and all of the other stuff that needs to go into the development in order to sell the land as I understand it.

Chairman O'Neil asked so is it the understanding of the Clerk's Office that as they sell property that money will come back to the City.

Deputy City Clerk Johnson responded that would be my understanding. Now my suggestion might be that since Bob is not here unless Sam can address it for you that perhaps you want to allow it to move on to the Board because it would go from here to the Board anyway for transfer and it won't come up to the Board level until the June 7 meeting. That will give ample time for Bob to provide further information.

Chairman O'Neil asked Sam do you or Todd have anything to add.

Mr. Maranto answered I would add that we have to do a revised budget authorization as well for the Board.

Deputy City Clerk Johnson stated that is what this does. In essence it sets forth that process. It is a budget authorization, which is an expenditure of a project that you already funded. This isn't your proceeds.

Ms. Hills stated I believe that that is the change in the administering department. Sam maybe you can add to this because I know that MHRA has done a lot of projects. Is the money actually transferred to them or do they simply have the administration?

Mr. Maranto responded I haven't seen the agreement but this would not prohibit them from invoicing the City and getting reimbursed. Again, with the budget authorization you control what you want to give them. You can just transfer the \$785,000 and provide those funds.

Alderman Lopez stated I agree with Sam. The agreement that was signed and passed on was originally...well the bottom line which I would like to read is "the Authority shall only obligate additional funds as revenue becomes available and upon request and approval of special committees" and I think CIP has been that special committee.

Chairman O'Neil asked Jane are you aware that this holds up anything moving forward.

Ms. Hills answered I was asked to prepare this letter by Bob MacKenzie and he assured me he would take care of the rest of it so I am afraid I don't know all of the details of it.

Alderman Lopez stated I don't mind tabling it but I believe not to hold them up as Jane sort of indicated here...I surely don't mind providing them the necessary \$785,000 to start so they can implement the Master Plan. All I am objecting to is that we give up the fund. That's it. We are obligated to give them the money so I think if you want to give them some money like \$700,000 in order to implement the Master Plan I think that would be an appropriate motion but that is up to you.

Chairman O'Neil stated the Clerk has informed me that it was the intent of the Clerk's Office that other than a couple of items on our agenda that everything else would be referred to the June 7 meeting of the Board anyway. They are not recommending that a report be done for the Board tomorrow night. That gives us time. We could send it to the full Board and get everything ironed out at the full Board instead of holding it and having to call a CIP meeting beforehand. I just hate to see things slow up if there is some momentum to get going on the property.

Alderman Lopez moved to release \$785,000 to Manchester Housing & Redevelopment Authority for implementation of the Master Plan and that the City retain the fund.

Alderman Garrity asked Alderman Lopez when you say retain the fund...what is the balance of the fund.

Alderman Lopez answered \$785,671.

Alderman Garrity asked so you want to keep \$671 in there.

Alderman Lopez answered yes.

Alderman Garrity duly seconded the motion. Chairman O'Neil called for a vote. There being none opposed, the motion carried.

Chairman O'Neil asked can we get between all of the City agencies, there are three represented tonight and the Housing Authority how this is similar to the Air Park and other programs that we have done.

Deputy City Clerk Johnson asked you want an explanation on how...

Chairman O'Neil interjected I believe we have done similar agreements before and I would just like somebody to walk us through how this has worked successfully in the past. Let's get someone to give us a few pages of a summary or something to explain it.

Chairman O'Neil addressed Item 8 of the agenda:

Discussion of proposed CIP projects:

- 1) snow emergency strobe lighting;
- 2) administrative fund source changes for Child Health Services and NH Minority Health Coalition;

Chairman O'Neil stated there should be a memo from Bob MacKenzie in front of you dated May 13.

Deputy City Clerk Johnson stated there is a communication from Bob MacKenzie. It outlines projects for the snow emergency strobe lighting pilot project and also some administrative changes for Child Health Services and the NH Minority Health Coalition project basically just moving funds from Cash to CDBG and back and forth to balance it out.

Alderman Shea moved to approve the resolution and budget authorizations. Alderman Garrity duly seconded the motion. Chairman O'Neil called for a vote. There being none opposed, the motion carried.

Deputy City Clerk Johnson stated the second item is an administrative fund source change for Child Health Services and the NH Minority Health Coalition. You would be recommending to the Board to amend the CIP resolution by \$8,000 taking cash and putting it into a different project and then taking \$8,000 in CDBG and putting it back into the project so it is a wash in essence. You are not changing the bottom line of what they are receiving.

On motion of Alderman Garrity, duly seconded by Alderman Lopez it was voted to approve the administrative fund source change to the FY06 CIP budget resolution.

Chairman O'Neil stated we have one other item of new business that I would recommend we refer to the Highway Department.

Deputy City Clerk Johnson stated I would just note for the record that it is a communication from Julie Hebert, Association President for a condo complex in the Old Wellington Road area.

On motion of Alderman Smith, duly seconded by Alderman Shea it was voted to refer this communication to the Highway Department for report back to the Committee.

Chairman O'Neil stated I know in the past we have made recommendations on the budget at this level but I think I have heard from enough of the Aldermen and we know what their concerns are and I will be producing a memo tomorrow to make the changes. I believe it addresses the needs of all 12 wards.

There being no further business, on motion of Alderman Smith, duly seconded by Alderman Garrity it was voted to adjourn.

A True Record. Attest.

Clerk of Committee